

Final U.S.-Soviet Summit Ruled Out by White House

WASHINGTON — The White House has flatly eliminated any possibility of a final summit meeting between Presidents Ronald Reagan and Mikhail S. Gorbachev, saying that there is not enough time for such a session before Mr. Reagan leaves office Jan. 20.

Soviets Are Urging Cuts In Strengths of Navies

By Paul Lewis New York Times Service UNITED NATIONS, New York — A senior Soviet official says that more emphasis should be put on cutting naval strength in current disarmament negotiations.

The naval component of the military might of states should not be singled out from the overall disarmament effort, he said.

Medicare Shift Hurts Hospitals for the Poor

WASHINGTON — The Department of Health and Human Services will begin a Medicare reimbursement policy on Nov. 1 that will hurt large metropolitan teaching hospitals that serve the inner-city poor.

Peru, Limping, Clings to Its Fragile Democracy

By Alan Riding New York Times Service LIMA — With Peru in its worst economic crisis of the century, the fragile Peruvian democracy has been shaken in recent weeks by rumors that President Alan García Pérez had decided to resign and that the armed forces were planning to topple him.



Alan García Pérez

Mr. García was said to have considered stepping down last month and decided against it, and last week the army high command abruptly dismissed a senior general who believed a coup d'état was under way and moved to block it.

But just as Mr. García took full credit when things were going well, he is being blamed today for the economic collapse.

ing a crisis for which no simple solution exists.

Keeping alive speculation about a forced resignation of the president is the fear that still greater economic troubles may lie ahead, even after austerity measures last month brought a surge of inflation that halved the purchasing power of most Peruvians.

Working in favor of democracy, which was restored in Peru in 1980 after 12 years of military rule, is the fact that neither the leftist nor the rightist coalition wants a coup because each believes it can beat the once-dominant Revolutionary Alliance in the election, due in 1990.

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95 Nations Reject Move In UN to Expel Israel

New York Times Service
UNITED NATIONS, New York — Ninety-five countries, 15 more than last year, have voted to block an Arab-sponsored measure that would have expelled Israel from the General Assembly.

In the vote Tuesday, the Soviet Union voted against Israel despite talks between the countries on re-establishing consular relations.

But several other Communist nations did not support the motion, with Hungary voting in Israel's favor for the first time. East Germany, which backed the measure last year, did not vote Tuesday.

Since 1982, the Arab nations have moved every year to expel Israel from the assembly.

Forty-one countries voted against Israel, up from 39 last year. Seven nations abstained and 13 did not vote, including Bulgaria, Czechoslovakia and Poland. Sever-

al African and Caribbean nations changed their vote in Israel's favor.

Dominica, the Dominican Republic, Ecuador, Guinea-Bissau, Guyana, Mauritius, Papua New Guinea, St. Kitts-Nevis, São Tomé and Príncipe, St. Lucia, the Solomon Islands, Suriname and Zambia were the countries that, along with Hungary, changed their votes from absent or abstentions in 1987 to votes in Israel's favor. Guinea changed from a vote against Israel to one in Israel's favor.

Afghanistan, Congo, Jordan, Niger, Senegal and Zimbabwe changed to votes against Israel this year from either abstentions or nonparticipation last year.

Israeli diplomats, citing a "significant victory," called the Hungarian and East German shifts an indication of improving relations with the East bloc.

\$1.8 Billion Goof Signed by Reagan

New York Times Service
WASHINGTON — Lawmakers representing urban areas are gleeful over an unexpected and absolutely unintended windfall in the 1989 transportation spending bill that President Ronald Reagan signed Sept. 30.

As approved by Congress the \$3 billion transportation measure allotted \$200 million for a program that allows states to trade in their federal highway funds for money to spend on existing mass transit systems.

But lawmakers learned Tuesday that the copy of the bill that went to the president for signature contained a \$1.8 billion typographical error, allotting \$2 billion for the so-called interstate transfer program.

According to Senator Alfonse M. D'Amato, Republican of New York, the Office of Management and Budget appears to be willing to look the other way for now on the assumption that the new Congress will correct the error.

DEAL: No Planes to Iran

(Continued from page 1)
 that Chile was seeking to sell on the international market.

The Chilean government, which needed U.S. approval for any transfer of the U.S.-made warplanes, informed the United States about the suggested deal and said it would not go ahead without Washington's agreement, Mr. Redman said.

Iran's decision to accept a ceasefire in July in its long war with Iraq followed its failure to acquire the planes.

It also came after the hard-line commander of the Revolutionary Guards concluded that no military victory over the superior Iraqi forces was possible before 1993, according to a document obtained and distributed by the opposition Mujahidin Khalq.

This assessment by the commander of the guards, Mohsen Rezaei, was the crucial argument used by Iran's spiritual leader, Ayatollah Ruhollah Khomeini, to justify his decision at an eight-hour meeting of about 40 top Iranian religious, political and military leaders on July 17, the day before Iran announced its decision.

The document, which appears to be a summary account of the meeting, says that Syed Ahmad Khomeini, the ayatollah's son, read an excerpt from Mr. Rezaei's war plan.

"We won't have any victories in the next five years," he is quoted as having said. "After 1993, if we have 250 brigades, 2,500 tanks, 3,000 armored personnel carriers, 300 aircraft and 300 helicopters, we believe, God willing, we will be able to launch offensives."

Ahmad Khomeini also read a message from his father to the assembled group saying that "our military officials, both army and guards corps, and all experts on war openly admit that the Army of Islam will not achieve any victories whatsoever in the near future." Then he added: "I accept the ceasefire."

The document says that after listening to the ayatollah's message and decision, "most of the audience appeared in a state of shock."

"Khomeini's inner circle did not utter a word," it added. "Some hung their heads and looked pale."

There was no immediate way to establish the authenticity of the document. A U.S. official said that the administration had not seen the document and would not comment on it.

But he confirmed that a number of such high-level meetings took place from July 16 to 18 to inform the Iranian leadership of the ayatollah's decision to accept the ceasefire.



THE GLEANERS — Carrying on a tradition with roots in the Bible, residents of Culemborg, the Netherlands, picked through potato fields after mechanical harvesters made their passes. The potato gleaners get to take home what the reapers have left behind.

Anonymous Mail Stirs New Fears At Dartmouth

New York Times Service
HANOVER, New Hampshire — A new series of letters delivered last week to black, gay and female Dartmouth College students demanding that they get off the campus has left students here angry and frightened.

Some students say the handwritten letters are the latest acts in a continuing campaign of sexual and racial harassment at this Ivy League school. They also fear that whoever is behind the letters and obscene graffiti might turn to violence.

Since May, letters have been sent to dozens of students and professors who are active in several campus organizations. Sexist and racist graffiti have appeared in dormitories, and countless obscene and intimidating phone calls have been made to sorority houses and to women active in feminist causes.

The dean of students at Dartmouth, Edward J. Shanahan, who received one of the letters last week, said he was uncertain if the letters and phone calls were coming from a Dartmouth student.

The college recently hired forensic specialists to analyze the handwriting in the letters and has asked the local police to investigate.

TECH: Pentagon Economic Role

(Continued from page 1)
 Reagan administration, said that, although he attended dozens of interagency meetings on industrial policy while he was in office, he never felt that he exerted much influence in his role as a Pentagon representative.

"I don't think our influence was as strong as it should be," said Mr. DeLaurer, who participated in the science board study. "I don't think the security issue is adequately represented."

A widely held aversion to political control of the economy is just one element that could stand in the way of the new thinking on the military-industrial complex.

Other resistance is likely to be encountered from government agencies that now control economic policy as well as among Pentagon bureaucrats who favor the status quo, according to Defense Science Board members.

But Mr. DeLaurer said the new approach, while no panacea, has important implications because the presidential candidates, Michael S. Dukakis and George Bush, are seeking ways to bolster national security without increasing military spending.

In the election campaign, Mr. Dukakis has made more of a point than Mr. Bush of linking economic policy to national security.

CRASHES: 164 Die in India

(Continued from page 1)
 ficial of the National Transportation and Safety Board said crashes had been found on the fuselage of a 19-year-old Continental Airlines 737 on Oct. 5.

India's international and domestic services both rank among the world's largest. The country's airlines have been crippled lately by growing difficulties meeting demand for air travel and by reported mismanagement.

A high-level Indian Airlines official said: "We make no compromises on safety, and we have one of the world's best track records to date."

Inspections in U.S.

The U.S. Federal Aviation Administration said Wednesday that it was speeding up an order for more thorough inspections of aged Boeing 737s because of the cracks found on the Continental Airlines plane. The Associated Press reported from Washington.

It was not clear how many 737s would be subject to the inspection order. According to the Boeing Co., about 225 of the twin-engine jets have had close to 40,000 landings, although some of those probably are foreign-owned.

SERBS: Party Dismissal

(Continued from page 1)
 managed Yugoslavia since the death of Tito in 1980.

In particular, he insisted on the removal of three politicians from the southern province of Kosovo, where resident Serbs have allegedly been persecuted by an Albanian-dominated population and local government.

The Central Committee, however, put off any action on the Kosovo politicians, including Agim Vlasi, the most popular Albanian leader. Instead, in a secret vote of confidence on 10 members of the Politburo, they confirmed all but Mr. Milosevic's closest ally on the body, Mr. Kerebic.

In a dramatic broadcast on national television, the mercurial Mr. Milosevic refused to accept Mr. Kerebic's resignation, saying his own Serbian party organization must meet to decide the issue.

As millions of Yugoslavs watched, the Central Committee meeting, which had stretched over three days and 38 hours of debate, appeared to end in disarray, with Mr. Milosevic's allies denouncing what one called "an unprincipled coalition" by other republican politicians against the populist Serbian.

Other Central Committee members spoke out harshly against what they said was the failure of the meeting to deal with the current economic and ethnic crisis.

"My feeling over the past two days is that I've heard all this in the past three or four years," said Stefan Santo, a delegate from the Serbian province of Vojvodina. "I'm embarrassed because we haven't done our job. The Yugoslav people won't accept this any longer."

Mr. Milosevic's call for a major shake-up in personnel was also pressed by other republican leaders, including some of his political opponents. Politicians in favor of change hoped to force out officials who have failed for years to implement reforms or who have been touched by corruption.

Stipe Sivar, the current holder of the rotating party presidency, introduced a plan Wednesday for a reshuffle that he said would result in changes of up to 30 percent of the 165-member Central Committee over the next six weeks.

However, the guidelines for the shake-up limited enforced departure only to those members of the committee who also hold high government or trade union posts; that is, to about 30 persons.

Only about two dozen other politicians would be purged, and those decisions will be left to the party organizations in each of the six republics and two provinces.

ATTENTION

overseas Americans Write-in Ballot for US elections.

For the first time, Americans wishing to vote by absentee ballot in the Federal elections who have not yet received their absentee ballot from their local election officials may obtain special Write-in Ballots at any US consulate.

The Federal Write-in Absentee Ballot is intended to prevent disenfranchisement of duly registered voters who have made a timely request for an absentee ballot and simply failed to receive it on time.

It may be used by Americans outside the US who have properly requested an absentee ballot in their home state and whose absentee ballot request was received by local election officials at least 30 days before the November 8th elections.

In order to be counted, the write-in ballots must also meet local requirements and deadlines, which vary from state to state. For further information, contact the voting officers located at any American consulate.

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Power Struggle Flares in Kabul Party

By Barbara Crosse



Afghan guerrillas with an artillery piece seized last week when they overran the Kunar Province capital, Asadabad.

ISLAMABAD, Pakistan — A factional power struggle appears to have broken out in Afghanistan's Communist leadership...

Reports of party infighting come at a time of speculation that Afghanistan's president, Major General Najib, may be removed.

neither has signed the nuclear nonproliferation treaty.

Hong Kong should put on a world's fair in 1997 to mark the British colony's return to Chinese sovereignty...

A highland tribe in Papua New Guinea refused to accept a compensation offer...

The International Institute for Strategic Studies in London, adding to the longstanding debate over whether India and Pakistan have nuclear armaments...

The plan is to train at least two or three inhabitants from each Afghan village by next spring...

Arthur Higbee

Afghan guerrilla leaders said the Soviet Union may also be preparing to negotiate directly with them to find a face-saving political formula for Kabul.

Western diplomats said Moscow must be concerned about the approaching winter, when roads out of Kabul can become snowbound.

On Thursday, Afghanistan's prime minister, Mohammed Hassan Sharq, surprised journalists at a news conference in Kabul by saying bluntly that "the Afghan people do not have much confidence in the ruling People's Democratic Party or in the mujahidin."

Mr. Sharq, whom Soviet officials praise in official news releases as Afghanistan's not a member of the party and therefore above its factionalism.

The Khalqis, however, are also behind moves to weaken Soviet support for General Najib, a Parchami, according to the guerrillas' latest Afghan Information Center Monthly Bulletin.

had made several trips in Moscow in recent months to argue for the removal of General Najib.

Mr. Gulabzoi, who would like to become president or prime minister, rebels said, has been trying to persuade Soviet leaders that with General Najib in power Kabul will collapse when Moscow's troops leave.

Reports are circulating in Kabul that General Najib, who was out of sight for nearly 10 days recently, may be forced to resign as party leader if the general assembly of the party meets.

But General Najib was present on Sunday when Mr. Vorontsov presented his credentials as ambassador, diplomats noted.

3 South Africa Activists Leave U.S. Consulate

By William Claiborne

Washington Post Service

JOHANNESBURG — Three former political detainees who had taken refuge for more than a month in the U.S. Consulate here walked out of their self-proclaimed political asylum Wednesday and were ignored by South African security policemen.

The men held raised fists in a black-power salute and shouted freedom slogans as passers-by cheered and policemen struggled with news photographers to clear a path to the activists' waiting cars.

One of the three, Mohammed Valli Moosa, the acting general secretary of the United Democratic Front, an anti-apartheid coalition, said in a press conference later: "It is not without apprehension that we have left the consulate.

The other two activists are Murphy Morobe, acting publicity secretary of the United Democratic Front, and Vosumuzi Philip Khan.

yle, chairman of the banned National Education Crisis Committee.

The police, however, appeared to be more concerned with preventing scores of reporters and cameramen from blocking access to clothing stores in the ground-floor arcade of the consulate's office complex in central Johannesburg than they were with the activists.

No attempt was made to restrict the activists or prevent them from conducting a press conference later.

The only person who was harassed was a white television reporter for the state-run South African Broadcasting Corp., who was shouted out of the press conference by supporters of the activists.

The three men, who had been imprisoned without charges under South Africa's state of emergency, had been in three rooms of the consulate offices even though South African officials said that they were free to leave without fear of being detained or restricted.

The South African foreign minister, R.F. Botha, appeared to have defused the asylum issue last month, saying that the government was not interested in the activists and that they were free to leave without fear of being arrested.

SAFARI INTERNATIONAL - INDEPENDENT OF THE BUREAUCRATIC REGIMENTS

ASIAN TOPICS

U.S. to Train Afghans in Destroying Mines

The United States is joining the international effort to help train Afghan refugees to destroy the millions of land mines and booby traps scattered over Afghanistan in nine years of warfare.

Other countries that have agreed to help train Afghan refugees disarm mines are Britain, France, Italy, New Zealand, Norway, Pakistan, Sweden and Turkey.

The plan is to train at least two or three inhabitants from each Afghan village by next spring, when refugees are expected to start returning home after the winter and begin planting their crops.

Around Asia

A proposed U.S. Army apartment project in Zushi City, Japan, a community of 58,000 south of Tokyo, is the center of controversy in coming mayoral elections for the third time in seven years.

The International Institute for Strategic Studies in London, adding to the longstanding debate over whether India and Pakistan have nuclear armaments, says both countries "have the capability to manufacture deliverable atomic bombs."

The Los Angeles newspaper reported that the FBI had been investigating whether Mr. Plotkin, who has a criminal record for drug and counterfeiting, had gone to Iran to deal in drugs.

Arthur Higbee

Ex-Iran Hostage Wins Nobel Award

United Press International

LOS ANGELES — A former Iranian hostage has won an undisclosed settlement in his \$60-million libel suit against a newspaper that printed a story saying he was under investigation for possible drug dealing.

Jerry Plotkin, 54, a Sherman Oaks insurance adjuster, contended in his 1981 lawsuit that the Daily News libeled him in an article published a day after his release, Jan. 20, 1981, with 51 other Americans held hostage in Tehran for 444 days.

The Los Angeles newspaper reported that the FBI had been investigating whether Mr. Plotkin, who has a criminal record for drug and counterfeiting, had gone to Iran to deal in drugs.

Arthur Higbee

had made several trips in Moscow in recent months to argue for the removal of General Najib. Mr. Gulabzoi, who would like to become president or prime minister, rebels said, has been trying to persuade Soviet leaders that with General Najib in power Kabul will collapse when Moscow's troops leave. Reports are circulating in Kabul that General Najib, who was out of sight for nearly 10 days recently, may be forced to resign as party leader if the general assembly of the party meets.

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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Dukakis Retrenches

Michael Dukakis's organization, which pledged on leaving Atlanta to wage a 50-state campaign...

to Mr. Bush's lead in the NBC/Journal poll; and Mr. Bush's lead has not been steady in the weeks since the Republican convention...

Does this mean that the campaign is all over and the Dukakis forces are conceding? At the risk of sounding a little foolish, we would say that the fat lady is still warbling...

For a Desaparecido

No recent international practice is more monstrous and more harmful to the fabric of those societies where it goes on than causing people to be "disappeared"...

The impulse to cause people to be "disappeared" lies in a government's great frustration in dealing with guerrilla terrorism...

Choose Your Missile

Land-based nuclear missiles are a critical part of America's deterrent, but neither presidential candidate has presented a plausible plan for keeping them that way...

done remarkably little to move the issue forward. The initiative has passed to the Air Force, which has correctly decided that the MX would be more survivable if mounted on railroads...

Other Comment

Outflanking the Dictators General Augustin Pinochet spent the days before his plebiscite on Oct. 5 contemplating opinion polls which told him, and other Chileans, that he was going to lose it...

is now confined to two parts of the world. One is a large swath of Africa, and there may be little to do about that just yet...

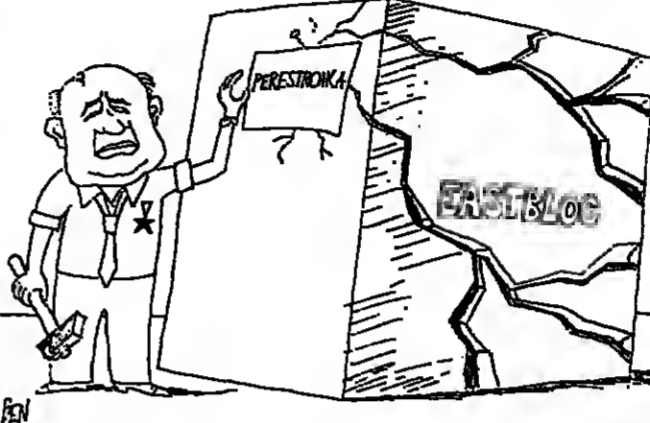
A Vacuum Spreads in Gorbachev's Empire

By Jim Hoagland

BERLIN — History's meridian passes through the misted-over woods and lakes of Berlin, which is by avocation and by the force of circumstance the world's most political city...

of Europe: the Africanization of the Balkans and their neighbors. It is an imagery of latent chaos that provokes military coups to "restore order"...

Gorbachev, a modern man, should see that the imposition of tyranny through terror has run its limits and produced nothing that any modern society would think worth saving...



By BEN in Stalder-Zehring, C&W Syndicate

Crimes Eventually Have to Be Accounted For

By William Pfaff

PARIS — These are not good times for the revolution. We see the Soviet Union in the throes of discarding its revolutionary legacy...

reformed legal systems, expanded popular education, the reform of science, and much else. The American Revolution was the prototypical national independence movement...

of history. Leninist revolutionaries have believed that they have a kind of knowledge about society which goes beyond emotion or moral judgment...

NATO: Modernize Short-Range Nuclear Forces

By Frederick Bonhart

BRUSSELS — To maintain a credible defense posture and preserve peace, NATO has to upgrade its short-range nuclear forces...

the continuing strategic-political requirement for such forces and recommend restructuring the present arsenal in the short term and pushing ahead with modernization...

of nuclear motion at its recent party conference. In West Germany, such a decision is by no means confined to the traditionally anti-nuclear left...

Wait a Minute, Let's Look In the Nuclear Pork Barrel

By David Albright and David Feltman

WASHINGTON — Virtually everyone agrees that U.S. production of nuclear materials for the military has been scandalously mismanaged...

Because of tritium's short life span, the government has called for two new nuclear reactors for its production. But alternatives to a new tritium production reactor have yet to be fully explored...

Standoff missiles can be launched by aircraft from well behind their own lines in comparative safety. They have a considerably longer range than the free-fall bombs they replace...

The Words Of the '60s Won't Do

By Flora Lewis

CAMBRIDGE, Massachusetts — It isn't easy to grasp why "liberal" has become such a bad word in the United States...

Almost all the 60 participants were academics. Now neatly dressed, politely spoken, carefully analytical, most were veterans of the excited, defiant "movements" of youth that exploded in Western Europe...

One American argued that the Tet offensive at the end of January 1968 set off the chain reaction. Although the Viet Cong failed in their objective of sparking an upheaval that would force an immediate U.S. withdrawal...

That is certainly much too narrow a view. Although the "movements" borrowed slogans and imitated and encouraged each other, it shows again how much each tended to focus on its own grievances...

It is a crucial point, however, even if it should be a banal one, that those who embrace the butcher usually are led by history to the butcher's embrace...

The influence of political ideology has convinced too many people who meant well that good comes from the necessary evil, hence that evil, as Hannah Arendt described their belief, "is but a temporary manifestation of a still-hidden good"...

There has been great technological and economic change in those 20 years, but it has not been philosophically or socially digested. What is left is an air of mustiness about the old liberalism, and a resistance bred by reaction against the obvious excesses of all that echoed in the date 1968...

It is impossible to suppose that things can be "conserved" as they are, nor does anyone really want to. Drugs, crime, deficits at home, famine, misery, war abroad are not to be ignored...

The need for the short-range category is thus inescapable, and all member countries have recognized it. In 1986, at the Ginebrales meeting of the nuclear planning group, defense ministers confirmed it by adopting the general political guidelines for the use of nuclear weapons...

The writer is editor of NATO's Sixteen Nations, an independent military journal published in Brussels. He contributed this comment to the International Herald Tribune.

100, 75 AND 50 YEARS AGO

1888: A Daring Play PARIS — "L'Amant du Christ," a "mystery" in one act, was produced last night [Oct. 19] at the Théâtre Libre...

1913: Servia Is Warned PARIS — A feeling of astonishment has been caused by the news made known yesterday [Oct. 19] that Austria-Hungary had addressed to Servia an ultimatum calling upon the Servian Government to recall within a delay of eight days the Servian troops which passed the Albanian frontier...

1938: New U.S. Policy LONDON — Ambassador Joseph P. Kennedy tonight [Oct. 19] recommended a "live and let live" attitude toward the dictators in a speech at the annual Trafalgar Day dinner of the Navy League...

occupied strategic positions following recent Albanian raids into Servian territory. Austria-Hungary adds that if she does not obtain satisfaction, she will take steps to compel Servia to accede to her demands.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1988-1989 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen

Handwritten signature or note at the bottom of the page.

The Words Of the '60s Won't Do

By Flora Lewis
CAMBRIDGE, Massachusetts — It's not easy to say what the United States has become...

Dukakis Is Communicating An Unavowable Message

By George F. Will

WASHINGTON — The Dukakis campaign's unambiguous aversion to common sense is on display in a new television commercial...

Liberalism stopped seeming to be a government hand for those needing help and became the rasping voice of bossy government.

my new president to be in touch with the things that are important to my family...

That's it. All of it. Really. It must make many viewers want to scream at the screen...

When I saw the commercial, it came hard on the heels of a McDonald's commercial...

Or is he reticent because he is wary lest specifics seem liberal? Perhaps the problem is a blend of both intellectual arrogance and despair...

For eight years, during which Ronald Reagan carried 93 states in 48 months, Democrats like Mr. Dukakis have been wondering: How does he do it? Why do they (the voters) do it? Surely it cannot be that they agree with him...

Mr. Dukakis, it is said, is not communicating well. Wrong. He communicates very well, but "well" is not a synonym for persuasively.

With what he has done and said during a long public career, and with what he now says and will not say, Mr. Dukakis communicates the transformation of liberalism from a doctrine of popular

collective choices and common provision — Social Security, rural electrification and so on — into something that dare not speak its name...

At about the time Mr. Dukakis entered public life, liberalism was changing. It stopped seeming to be a government hand for those needing help...

For eight years now it has been insistently said that Ronald Reagan has won because he said "There you go again" or because of his smile or because of what has been called his "Aw shucks, I stepped on my sneakers" charm...

One healthy aspect of a Dukakis defeat might be this: It might leave Democrats no place to hide, no vitalizing alibi to enable them to say that the incompetent public let itself be gulled yet again...

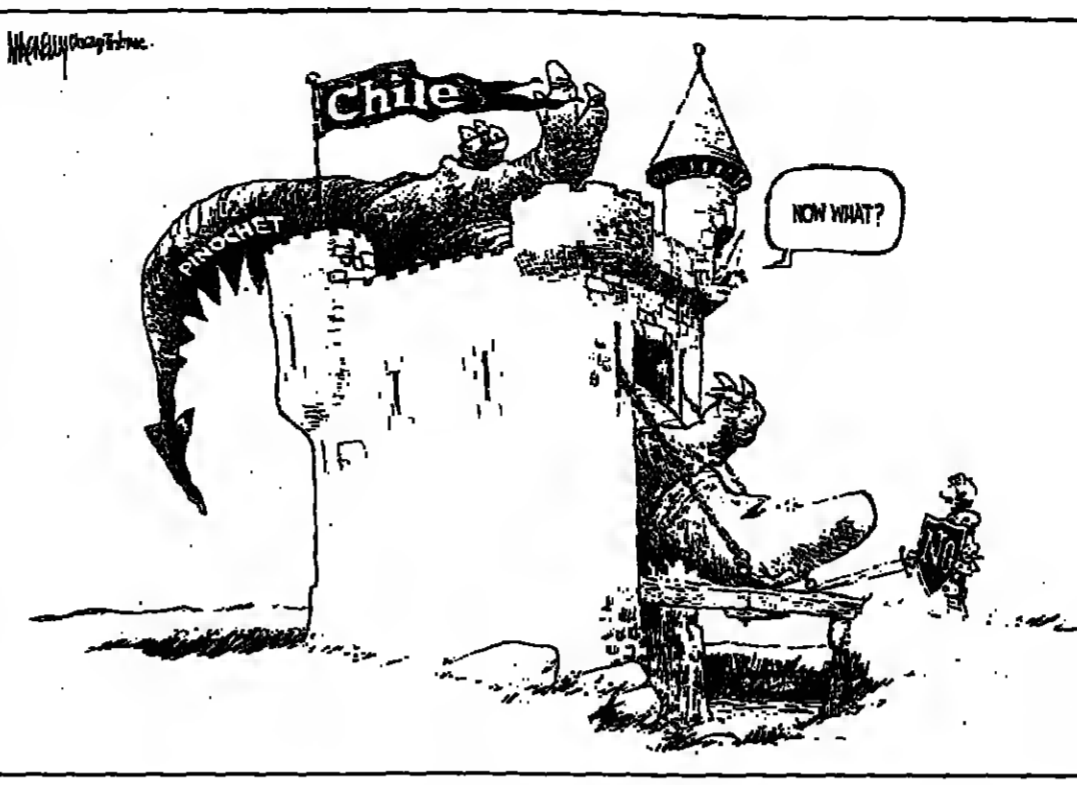
After the Los Angeles debate, many commentators said: Mr. Dukakis failed to "find his voice" or to "present himself." Oh? What have people been hearing and seeing for 16 months if not the voice and persona of Michael Dukakis?

By the end of this week, the media probably will be nearly unanimous in denouncing the (there is a sublime irony here) "incompetence" of the Dukakis campaign...

Already many Democrats who share his culture are pre-emptively trivializing the election result. They are blaming Mr. Dukakis's anticipated defeat on his personal attributes...

These Democrats are getting a running start on the road to defeat in 1992.

Washington Post Writers Group.



LETTERS TO THE EDITOR

Iran: Don't Help the Regime to Keep the Lid On

The editorial "Awaiting Iran's Endgame" (Oct. 11) contains the following statement: "With the Iran-Iraq cease-fire, the revolution in Iran is thought to be entering a phase in which calmer relations with foreigners can be pursued."

Since the establishment of a cease-fire in the Iran-Iraq war, there has been a sense of euphoria in Western capitals based on the false assumption that a future Iranian administration headed by a Hashemite Rafsanjani will turn Iran away from international terrorism and Islamic fundamentalism...

The Islamic Republic has been developing a strategy to exploit these possibilities and to reaffirm its shaky internal hold. The campaign began in earnest before the French presidential elections...

With all the coverage of the debates, one point in particular seems to have been missed: the relevance of the issues for Americans living abroad and for their European friends...

Whether by accident or design, the photographs (Sept. 27, Page 5) chosen to illustrate your reports on the first Bush-Dukakis debate show a fundamental difference in body language...

Economic Policy: On Sept. 28, the Democratic-controlled House of Representatives passed a "Textile and Apparel Trade Act" placing quotas on the importation of textiles and shoes...

Foreign Policy: On Sept. 12, Zbigniew Brzezinski, who was President Jimmy Carter's national security adviser, joined the Bush team because he believes that Michael Dukakis's foreign policies are inconsistent with the best interests of the United States and her allies...

MEHRDAD KHONSARI, London.

Reasons to Prefer Bush

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WILLIAM CURRAN, Chairman (Europe), Republicans Abroad, London.

R. J. STAPLETON, Hong Kong.

No. 2s Now and Then

Given the lopsided choice in experience between George Bush and Michael

Stop Knocking the Families That Get Along Together

By William Leventon

BRIGANTINE, New Jersey — Imagine a presumptuous stranger saying he understands people like you very well. You reply, "Excuse me, do I know you?" He answers, smiling smugly, "No, but I know you. You see, I'm a psychologist."

My nerves have been set on edge lately by psychologists and social scientists whose speculations about human behavior reach me through the media. Bad

MEANWHILE

enough are their broadbrush theories, often presented in the form of ironclad physical laws. Worse still is the cavalier advice they offer based on these theories.

Often, while reading or watching television, I am surprised by a confidently stated analysis of something that I, like others, am doing, which ascribes to me the basest motives for doing it and recommends that drastic measures be taken to keep me from doing it anymore.

The latest assault on my character has been the recent spate of theorizing on why young people continue living with their parents after reaching adulthood.

According to these so-called authorities, the responsibilities and difficulties of living on one's own are the heart of the matter. Apartment living these days can mean exorbitant rent for a couple of barely adequate rooms, with substantial costs for furnishing them and paying the utility bills.

After giving apartment life a try for a while, many young people reason correctly that they had it a lot better back home: a nice house to live in, less housework to do and no bills to pay, except possibly a token boarding fee. Their old rooms sit empty, beckoning — and these days many are returning to them.

This, the experts have decided, is a violation of the natural order of things. The young adult living at home is ducking adult responsibilities. Postponing the confrontation with life's hard realities will only make it more difficult to confront them later on.

All in all, it is a bad situation that must be remedied. The solutions that I have heard range from parents and child continuing to live together, but only under the terms of very businesslike personal and financial agreements, to parents forcibly expelling the child from the house.

In 1987 I lived on my own in an apartment in New Hampshire. I had no trouble paying the rent or my other bills; household chores were performed reluctantly but adequately. Meanwhile my parents were living at the Jersey shore, unlettered by my presence.

There was only one problem with the arrangement: My parents and I discovered during that year of separation that we were miserable living apart. Our lives had been welded together over 77 years; our separate selves were no more than fragments of a larger whole. That whole is called a family. My purpose in returning home was not financial benefit or avoidance of responsibility but to resume my place in a family where I am loved.

There is nothing unnatural in wanting to be loved. And I am not troubled by a loving family staying together as long as its members wish. What does trouble me is the thought that families like mine may be disrupted by carelessly promulgated theories that contain only a small part or one of the truth.

Trying to understand human behavior is a praiseworthy pursuit. Those who engage in it, however, must be wary of applying their conclusions too broadly.

Mr. Leventon is a freelance writer. He contributed this to The New York Times.

50 YEARS AGO
1938: New York...

NOTES ON A CENTURY
A Young Polish Refugee Wins The International Herald Tribune Centennial Scholarship
ANNOUNCING The International Herald Tribune Centennial Scholarship for the INSEAD MBA Program
Bernard Kouchner, Secretary of State for Humanitarian Action presented the award certificate at a ceremony which took place at the International Herald Tribune Paris headquarters on October 10th.

HOTELS MERIDIEN
The very soul of France in North America.
In the pulsating rhythm of the great North American cities, the Meridien hotels provide the charm of French tradition.
In luxurious and comfortable surroundings, you will rediscover refinement in our French gastronomy, efficiency in our business services and relaxation in our fitness clubs.

SCIENCE

Nobel Work Aided Herpes Treatment

By Larry Thompson
Washington Post Service

It was once viewed as the premier viral scourge, and today herpes strikes just as many people as it did in the late 1970s and early 1980s — back in the days before AIDS knocked it out of the headlines.

But a key aspect of the disease has changed. Now doctors can treat it.

Since 1984, acyclovir, an effective oral antiviral drug, has been used to limit the severity and duration of a herpes outbreak. And for people who have recurrent outbreaks of the virus every three to four weeks, acyclovir can break the cycle, freeing them from the painful sores.

Not only did the development of acyclovir in the early 1970s prove for the first time that a drug could be successfully used to stop a virus after it infected the human body, it laid the groundwork for the development of zidovudine, or AZT, the only drug shown to lengthen the life of people infected with the AIDS virus.

Before acyclovir, said Dr. Stephen Straus, head of the medical virology section at the National Institute of Allergy and Infectious Diseases, there were no antiviral drugs that worked well enough to justify their side effects, and physicians were skeptical about whether workable drugs could be found.

"Acyclovir," Dr. Straus said, "really made antiviral therapy a concept worthy of attention of every practicing physician in the United States."

The 50-member Nobel Assembly, the committee that decides who gets the prize in medicine, agreed. The team of Gertrude B. Eilon, 70, and George H. Hitchings, 83, long-time researchers at the Biophysics Research Laboratory in Research Triangle Park, North Carolina, and the discoverers of acyclovir, shared the Nobel in medicine or physiology with Sir James W. Black of Britain, the discoverer of beta blockers, a drug to ease heart disease.

Herpes is still a major infection. Herpes simplex 1, which causes cold sores, strikes 60 percent of the U.S. population, Straus said, with another 15 to 20 percent contracting herpes simplex 2, or genital herpes.

Most individuals, almost three quarters, will never get any symptoms and never know they were infected. But a quarter will suffer a noticeable outbreak of the painful skin sores around the mouth or

genitals. That is 40 million to 50 million people, Dr. Straus said. Fortunately, most will not suffer recurrent infections. But a significant number — several million — will have subsequent outbreaks, especially those infected with herpes simplex 2 virus. The virus is transmitted from person to person by direct contact with open sores.

In adults, acyclovir quickly stops the initial infection, which generally is the worst. Although the drug does not clear the virus from the body, people with severe, recurrent infections can go on a three-times-a-day regimen to prevent subsequent outbreaks.

The side effects of constant use are minor, said Dr. Phillip Pierce of Georgetown University School of Medicine. They may include headache, nausea and diarrhea.

"As a clinician treating people with herpes, acyclovir has really had an impact on our practice," Dr. Pierce said. Because it limits recurrence for genital herpes, "most people can resume a normal sexuality" because it dramatically reduces the chances of infecting a partner.

But Professor Eilon and Dr. Hitchings are not looking for a cure for herpes — or even any antiviral drugs — when they discovered acyclovir. It came out of their work in understanding the metabolism of nucleic acids — the building blocks of deoxyribonucleic acid, or DNA, the chemical that makes up genes.

Dr. Hitchings, a chemist, joined Wellcome, a pharmaceutical firm, in 1942 to set up a research laboratory. His interest focused on the metabolism of nucleic acids before it even was clear that these were the chemical essence of the genes.

Dr. Hitchings and Professor Eilon synthesized hundreds of different versions of these compounds. They set up a variety of systems to determine what effect the chemicals had on living cells, both animal and bacterial. Their work's central discovery was that chemical changes in the various nucleic acids were able to stop the growth of various types of cells and viruses.

From this straightforward approach of making and then screening hundreds of chemicals a year, Dr. Hitchings and Professor Eilon produced compounds that have helped with a variety of diseases, from herpes and gout to AIDS and leukemia.

It was the team's antiviral studies that led to the development of AZT. Both AZT and acyclovir have shapes similar to the chemicals used to make the genes of the virus-



Eilon, above, Hitchings: Their studies helped to fight herpes.



but because the compounds are not exactly the same shape as the viral components, they prevent the virus from reproducing and spreading throughout the body.

The development of AZT was sped along by "their experience with acyclovir," Dr. Straus said. "They already knew what had to be done and how to do it."

While chance and accidental discoveries often play a key role in scientific insights, those who know Dr. Hitchings and Professor Eilon say that their discoveries came from carefully developed and controlled screening of thousands of compounds.

Studies Uncover AIDS Virus Pathology

By Harold M. Schreck Jr.
New York Times Service

SCIENTISTS have found surprising effects of the AIDS virus that may help explain how it contributes to cancer and dementia in many of its victims.

The research, by two groups, employed some of the most sophisticated tools of modern biology to reveal how two components of the AIDS virus affect animal cells.

In one study, a single gene from the virus that causes AIDS was transplanted into the fertilized egg cells of mice so that the gene became a part of the embryo's genetic endowment.

Many animals born with the viral gene incorporated into their cells developed skin tumors that the scientists said showed remarkable similarity to human Kaposi's sarcoma, a skin cancer rare in the general population but common in AIDS patients.

Previously, it had been widely believed that Kaposi's sarcoma was probably an indirect effect of the AIDS infection, perhaps arising because suppression of the immune defenses rendered a patient susceptible to cancer-causing substances or viruses.

The new evidence suggests the AIDS virus itself has a direct cancer-promoting effect,

but the study does not offer any direct clues to the manner in which Kaposi's is caused in patients who do not suffer from infection by the HIV virus, which causes AIDS.

A report on the research in Nature said the scientists used a gene, called tat, in the experiments because it is known to promote the activity of other genes of the virus. The effects are believed to be produced by the protein for which the gene is the blueprint.

The scientists transplanted the gene into mice on the theory that it might also influence genes of the mouse cells and thus help explain how the virus contributes to the damage characteristic of AIDS.

About 15 percent of mice born with the transplanted gene in their bodies developed abnormal skin growths much like those typical of Kaposi's sarcoma.

The gene was found in normal skin cells of the mice, but not in cells of the tumors themselves, suggesting that the cancer-promoting effect was produced by the tat protein acting on cells distant from the cells in which it was formed.

The findings indicate that the virus "could play a direct part in causing cancer," said the report by Dr. Gilbert Jay of the National Cancer Institute, a unit of the National Institutes of Health, and by colleagues at the

institute and at the University of California in Davis.

Another report in Nature showed that another protein of the AIDS virus kills fetal brain cells of mice; the cells were growing in laboratory cultures.

The authors of this report suggested that the effects of this structural protein, gp 120, may help explain why some AIDS patients suffer from severe mental problems, including memory loss and progressively severe dementia.

The report by Dr. Candace Pert of the National Institute of Mental Health and colleagues at the National Institutes of Health and the Interagency, a research organization in Bethesda, Maryland, speculated that gp 120 might be released into the brain tissue of AIDS victims by cells infected with the AIDS virus.

In the brain, the protein might interfere with the normal processes of nerve cell development and maintenance, the scientists believe. Gp-120 is the protein by which the virus attaches to cells it is about to invade.

Dr. Pert and her colleagues reported that cell debris could be reduced by monoclonal antibodies designed to interfere with the protein's attachment to cells.

The Chemistry of Sexual Desire

By Daniel Goleman
New York Times Service

THE sex hormone testosterone is a genuine aphrodisiac, with higher levels stimulating sexual desire in men and perhaps in women as well, recent research has shown. But the level of testosterone has little impact on sexual performance, according to the studies, which have discovered a sharp distinction between the chemistry of desire and that of the sexual act.

The findings are part of a series of recent discoveries. While for decades scientists have made studies of the psychology and anatomy of sexual arousal, it is in the last few years that desire, the harbinger of arousal, has become a focus for research.

The studies, which aim to aid therapy of individuals and couples who suffer a lack of erotic impulses, are focusing on the biological and the emotional chemistry of desire.

"Sexual desire is an extraordinarily complicated part of life and there is an enormous range of difference," said Harold I. Lief, an emeritus professor of psychiatry at the University of Pennsylvania who is a pioneer in identifying and treating problems with desire.

"College students who are asked to press a wrist counter every time they have a sexual thought, fantasy

or feeling may count over 300 a day, while other people report that they rarely, if ever, have a sexual desire," Dr. Lief added.

The research is focusing on two problems. One involves individuals who, perhaps because of hormonal imbalances or feel on sexual urge. The second emphasis is on the psychological and emotional interactions of couples that can destroy desire in people who, in other situations, might have strong sexual urges.

The impetus for the studies has been the realization by sex therapists that many patients who had been treated for difficulties with the mechanics of sexual performance, such as impotence or a failure to reach orgasm, suffered from a lack of sexual desire.

"Desire and arousal are two entirely different processes, each under the influence of different factors," said Gayle Beck, a psychologist at the University of Houston.

Problems with sexual desire rank as the most common complaint treated by sex therapists, even though it is only in the last decade that the problem was given an official diagnosis.

A recent survey of 289 sex therapists found that the most common complaint of partners — in 31 per-

cent of couples seeking sex therapy — was a discrepancy between partners in their desire for sex. The second most common complaint, reported by 28 percent of patients, was individuals troubled by either too little or too much sexual desire.

Much of the research focuses on the biochemistry of desire, particularly the role of hormones, especially testosterone. Testosterone is often called the male sex hormone because it is more prevalent in men, although it fluctuates in the individual with time, and plays a key role in development of masculine traits. But it is also found in lesser quantities in women, in whom its levels fluctuate over the course of the menstrual cycle.

In a study of men who suffered from extremely low levels of desire as the result of underactive gonads, doses of testosterone increased the men's frequency of sexual fantasies and restored their sexual desire. But the testosterone had no effect on the mechanics of sexual arousal, such as their genital arousal while watching erotic videotapes or fantasizing.

This study and others with similar results have led scientists to conclude that testosterone regulates sexual desire. The study, done by Julian Davidson, a physiologist, and colleagues at Stanford University, was reported in "Patterns of Sexual Arousal," published this year by Guilford Press.

"It's now very clear that testosterone is the biological substrate of desire, at least in men," Mr. Davidson said.

There is less agreement on the relationship between testosterone and desire in women. Studies by Dr. Lief and others have found that in many women sexual desire peaks in the middle phase of the menstrual period, when testosterone levels are at their highest. But other researchers have failed to duplicate the findings.

Biochemistry aside, every couple who has ever been at odds know that emotional life shapes their sexual life. Studies are pinpointing more precisely which emotions have what effects.

The most common cause of low desire, clinicians say, is marital conflict. Laboratory research shows that, like depression, anger is particularly devastating to erotic desire. Anxiety can sometimes fan desire, but interferes with the sexual act.

In men, desire is more vulnerable to anger, while sexual arousal is more sensitive to anxiety, Ms. Beck has found in research reported at a recent meeting of the American Psychological Association.

"Someone who is preoccupied by worries would be likely to feel sexu-

al desire, but might have trouble getting or staying aroused," she said. "Lowmaking is vulnerable to intrusive, worrisome thoughts because it is largely a skill, while desire is more vulnerable to anger because it operates much like an emotion. While an argument will dampen partners' desire for sex, they could still follow through if they were to become aroused."

The judgment of what level of desire is "too low" or "too high" is, of course, a relative one.

But to get a sense of what the usual range of desire is for married couples, Joseph LoPiccolo, a psychologist at the University of Missouri, and Jerry Friedman, a sex therapist in Stony Brook, New York, surveyed 93 couples who, on average, were 34 years old and had been married for 9 years.

The most common cause of low desire is marital conflict. Research shows that, like depression, anger is devastating to erotic desire.

The men generally expressed a greater desire for sex than did their wives. More than 12 percent of the men said they preferred intercourse 3 percent of women expressed the same preference.

On the other hand, about 4 percent of men and 10 percent of women said they desired sex just once a week. The most common preference was for sex three or four times a week. Fifty percent of women and 42 percent of men expressed this preference.

But desire outpaced reality. Just 2 percent of men and 1 percent of women said they actually made love more than once a day, while 12 percent of both men and of women said the rate of lovemaking in their marriage was once every two weeks or just once a month. And 3 percent of men, but no women, said they made love less than once a month.

The discrepancies between the men and women reflect the different perceptions of their sex life.

"When a couple seeks treatment for a problem with sexual desire, I often hear, 'He's oversexed,' or, 'she doesn't love me anymore,' but I quickly learned to speak only in terms of a discrepancy in desire," Beck said. "To see one partner or the other as too highly sexed or as having too little desire is unhelpful."

NYSE Most Actives table with columns for Volume, High, Low, Last, Change. Includes Krull, AET, MGS, IBM, etc.

Market Sides table with columns for NYSE 4 sum, volume, NYSE 4 sum, close, etc.

NYSE Index table with columns for Composite, Industrials, Finance, etc.

Wednesdays NYSE Closing logo and text: Via The Associated Press

AMEX Diary table with columns for Clear, Prev., etc.

NASDAQ Index table with columns for Composite, Industrials, Finance, etc.

AMEX Most Actives table with columns for Vol., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns for Bonds, Utilities, Industrials, etc.

NYSE Diary table with columns for Oct 18, Oct 17, Oct 16, Oct 15, Oct 14, Oct 13.

Odd-Lot Trading in N.Y. table with columns for Oct 18, Oct 17, Oct 16, Oct 15, Oct 14, Oct 13.

Dow Jones Averages table with columns for Open, High, Low, Last, Chg.

Standard & Poor's Index table with columns for Industrials, Utilities, Finance, etc.

NASDAQ Diary table with columns for Advance, Decline, Unchanged, etc.

AMEX Stock Index table with columns for High, Low, Close, Change.

A Year Later, Dow Falls 22.58

NEW YORK — A surge in oil prices Wednesday helped send stock prices sharply lower in active trading as Wall Street marked the first anniversary of its worst collapse ever by retreating from its day-old recovery high.

The Dow Jones industrial average, which rose 19.38 points Tuesday to its highest level since the market break last October, fell 22.58 to close at 2,137.27.

Declines topped advances by an almost 9.5 margin. Volume totaled 186.35 million shares, compared with 162.5 million traded Tuesday.

"First, the anniversary of last year's collapse was a nonevent. It's insane to suggest otherwise," said Ralph Bloch, chief market analyst at Raymond, James & Associates in St. Petersburg, Florida.

"The story of this session was the price of oil exploding and the negative impact that had on the bond market because of inflationary fears," Mr. Bloch said.

Crude oil prices soared in hectic trading amid signs that two OPEC committees meeting in Madrid would agree to curtail the cartel's production levels. West Texas Intermediate, the benchmark U.S. crude for immediate delivery, jumped 76 cents to \$15.40 a barrel on the New York Mercantile Exchange.

Mr. Bloch also blamed part of the pullback on futures-related selling and some early-session profit taking.

Broad-market indexes also retreated. The New York Stock Exchange index fell 1.14 to 156.18. Standard & Poor's 500-stock index fell

2.41 to 276.97. The price of an average share lost 24 cents.

In late afternoon trading, the Dow plummeted nearly 45 points before it stabilized and managed to cut the deficit in half during the final hour.

Eugene Peroni Jr., chief technical analyst at Janney Montgomery Scott Inc. in Philadelphia, said the one-year anniversary of the Dow's historic 508-point plunge on Oct. 19, 1987, was indeed an anniversary but not a market concern.

"The fact that we have a market at a post-collapse high right now is enough to dismiss concerns over the trauma of a year ago," Mr. Peroni said, noting the Dow's close Tuesday of 2,159.85, the highest level since the plunge.

There are no fears existing from the collapse. The situation is quite the opposite with the leadership dimension the best I've seen in many months."

Mr. Peroni said the market "had a very good opportunity to push 5 percent to 8 percent higher over the short-term to somewhere near 2,250."

Kraft was the most active issue, up 2 1/2 to 90%. The stock soared 2 3/4 Tuesday after the announcement of Philip Morris's \$11.5 billion takeover bid.

Philip Morris was down 1/2 to 94.

Idaho Power ex-dividend was second on the active list, up 1/4 to 21 3/8.

AT&T was third, down 3/4 to 26 1/2.

IBM dropped 2 1/4 to 122 1/4.

Large table of stock market data with columns for High, Low, Last, Chg., Div., Yld., PE, etc. Includes various stock tickers.

Table of stock market data with columns for High, Low, Last, Chg., Div., Yld., PE, etc.

Table of stock market data with columns for High, Low, Last, Chg., Div., Yld., PE, etc.

THURSDAY, OCTOBER 20, 1988

TO HOME ELECTRICS TOSHIBA

INTERNATIONAL MANAGER

City of London Criticized For Harsh Firing Actions

By SHERRY BUCHANAN International Herald Tribune LONDON — A year after the stock market collapse, investment firms in the City of London which were obliged to fire large numbers of employees are still being criticized for doing so with scant respect for the people concerned or for British employment practices.

The firms argued that with the downturn in the market, they were forced to make drastic cuts, that theirs is a cyclical industry with high rewards but also high risks and that those who were let go were well compensated.

People are being fired without any respect for their dignity, said David Evans of the Banking, Insurance & Finance Union in London, which is organizing a crisis telephone service and lunchtime counseling in the financial district to assist workers in need of legal advice.

The banks argue that theirs is a cyclical industry with high rewards but also high risks.

Sales Cut NTT Offer Price

TOKYO — The price of Nippon Telegraph & Telephone Co. shares in the third public sale was set at 1.9 million yen (\$14,960) each on Wednesday, well below that of the previous offering, as investors rushed to sell in the open market and undercut the stock.

Japanese Investors Focusing on Southeast Asia

By Patrick L. Smith International Herald Tribune TOKYO — It is closer to a trickle than a torrent, but Japanese equity investors, traditionally timid and largely unshooked in opportunities abroad, are nonetheless taking their first tentative steps into Southeast Asia's volatile stock markets.

United States, which accounts for the overwhelming bulk of Japanese equity investment abroad, the tendency has been to minimize risk by sticking close to established blue chips.

Other problem with the Southeast Asian markets has been a simple lack of information, said Saburo Matsuioka, general manager at Towa Securities Co. "Except for stocks such as Singapore Airlines, Japanese investors just haven't known the names."

THE DISMISSAL was unfair, Shearson Lehman admitted. The firm was ordered by the court to pay Mr. Greenhill the maximum award. It came to \$3,181 (about \$14,300) Shearson Lehman maintained however that Mr. Greenhill was dismissed for "a reason relating to the applicant's capability," a point Mr. Greenhill disputed and Shearson was not asked to substantiate.

Kohlberg Gets 66% In Offer

Bid Is Extended For Macmillan NEW YORK — Kohlberg Kravis Roberts & Co. said Wednesday that it had been tendered two-thirds of the shares outstanding of Macmillan Inc. The development appears to put the leveraged buyout firm in a very strong position in its battle with Robert Maxwell for the publishing company.



Business as usual in London as markets rose one year after the collapse. (NYSE report, Page 12).

Goodbye to Black Monday Blues A Year After the Collapse, Most Markets Edge Higher

Most stock markets around the world marked the anniversary of Black Monday, when a selloff in Wall Street prices reverberated globally, by ignoring it to post gains on Wednesday. But Wall Street, which closed at a post-collapse high Tuesday, pulled back.

In Paris, the French bourse rose strongly. The 50-share indicator was up 1.12 percent at the close. The market remains 17 percent below its pre-collapse peak and is just a shade below its post-collapse best on Oct. 2.

Currency Rates

Table with columns for Country, Currency, and Rate. Includes entries for Australia, Canada, France, Germany, Hong Kong, Japan, etc.

Table titled 'Other Dollar Values' showing exchange rates for various currencies like Argentine, Australian, Canadian, etc.

Interest Rates

Table with columns for Term, Rate, and Source. Includes entries for 1-month, 3-month, 6-month, and 1-year rates.

IBM Moves to Nurture Its Workers

Employee Program Aims to Tackle a Changing Market By Frank Swoboda Washington Post Service WASHINGTON — In a move that underscores the changing demographics and values of the American work force, International Business Machines Corp. has announced a new program designed to help its employees balance the pressures of work and home life.

Large advertisement for CORUM watches, featuring a close-up image of a watch face and text describing the brand's quality and design.

3 Top Executives to Leave Salomon

NEW YORK — Three senior executives of Salomon Inc., the big New York investment house, have submitted their resignations and will soon announce plans to start their own firm, it was learned Wednesday.

Table titled 'U.S. Money Market Funds' showing performance metrics for various funds like Merrill Lynch Ready Assets, etc.

Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High Low Stock Div. Yld. PE 52-Week High Low Close

(Continued)

Table of stock prices for various companies including Citicorp, Chase, and others. Columns include stock name, 12-month high/low, dividend yield, P/E ratio, and 52-week high/low/close.

Table of stock prices for various companies including American Express, American International, and others. Columns include stock name, 12-month high/low, dividend yield, P/E ratio, and 52-week high/low/close.

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Industriekreditbank Reports

Healthy Growth in 1987/88

Corporate Concentration - A Danger for Medium-Sized Companies?

The number of corporate mergers in West Germany has grown steadily in recent years as a result of progress in technology, rising R & D costs, increasing internationalization, and diversification efforts arising from shifts in demand. Yet this trend has neither dampened competition nor weakened medium-sized companies. Numerous new businesses, a reduction in manufacturing undertaken by large corporations as well as ongoing strong demand for tailor-made solutions all afford medium-sized companies much room for development. These are the conclusions of a study presented in IKB's latest annual report, which is available upon request.

IKB in Perspective

Industriekreditbank (IKB) is a private-sector commercial bank specializing in medium and long-term fixed-rate loans of up to ten years and longer. The shareholders are mainly prominent institutions in the West German financial and business community. A representative of the Federal Government is on the Bank's supervisory board. Credit is provided largely for capital investments and export financing. Funding is arranged through the Bank's own long and medium-term bonds - financial instruments which are considered highly attractive for institutional investors seeking currency diversification in D-marks.

Continuing Improved Profitability

During the 1987/88 business year, IKB increased its net interest income by 6.7% to a record DM 273 million with partial operating results also strengthening by 3.9% to DM 162 million. Out of total net income, DM 12 million was allocated to the capital funds. The dividend remained unchanged at the previous year's level of DM 8 per DM 50 share, so that total distributions stayed at DM 33.6 million. As of March 31, 1988, IKB's capital resources amounted to DM 757.5 million, and the ratio of capital resources was 3.8%.

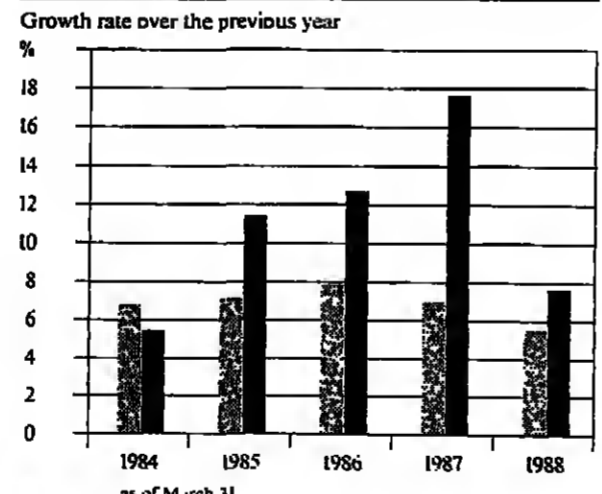
Credit Volume Grows Further

Compared with the previous year, IKB's balance sheet total rose by 6.8% to DM 20.1 billion - attributable above all to claims on customers growing by DM 1.2 billion to DM 15.3 billion. Approximately 90% of these loans were secured by first mortgages or other securities of equal worth. 1987/88 again saw an above-average upturn in long-term credits granted.

Wide Range of Specialized Services

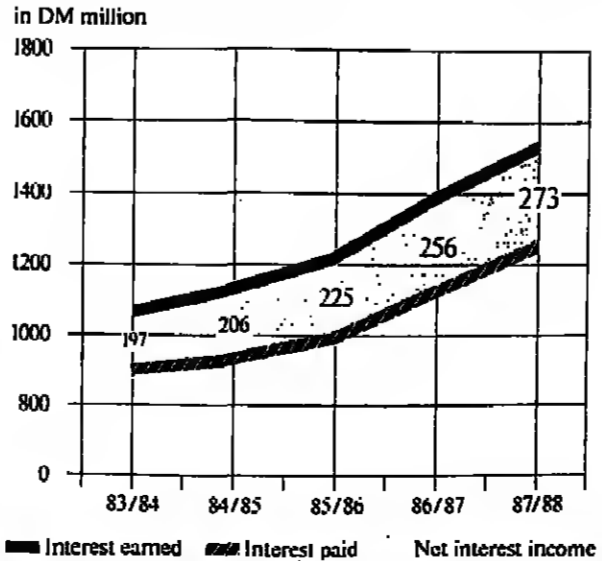
Complementing its core business, IKB also offers a wide range of specialized financial services. For example, in Luxembourg, IKB's branch subsidiary, IKB International S.A., have achieved success in international lending, money market trading, and securities business. A wholly-owned subsidiary, IKB Leasing GmbH, based in Hamburg, is active in fixed-asset leasing, and a joint venture of IKB and BHF-BANK focuses on real estate leasing. IKB's international business concentrates primarily on long-term export financing for machinery and equipment. The recently-established Corporate Finance Division provides specialized consultancy services for companies on questions extending from capitalization to stock exchange introductions; in October 1987, IKB Beteiligungsgesellschaft mbH was established specifically to cover requirements in these areas. Together with other banks, IKB also maintains an active venture capital company. The expert counselling services of IKB Consult GmbH are also available to corporations of all sizes.

Long-term Loans to West German Companies and Self-employed Professionals 1984-1988



Source: Deutsche Bundesbank

Net Interest Income from the 1983/1984 to the 1987/1988 Business Year



Summary of Financial Figures (non-consolidated)

Table with 4 columns: Financial Figure, March 31, 1988, March 31, 1987, and Change. Rows include Balance sheet total, comparative consolidated figures, Claims on customers, Own bonds issued, Long-term liabilities to banks, Long-term liabilities to other creditors, Capital funds, Net interest income, and Net income.

1) Including DM 325 million transferred from IKB International S.A., Luxembourg

Industriekreditbank AG Deutsche Industriebank



Committed to Enterprise

Düsseldorf · Berlin · Frankfurt · Hamburg · Munich · Stuttgart
In Luxembourg: IKB International S.A.

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Floating-Rate Notes table with columns for Issuer/Name, Coupon, Maturity, and Bid/Ask prices.

DP America Growth Fund advertisement with logo and contact information.

Table of international fund quotes including sections for Dollars, Pounds Sterling, Deutsche Marks, and Japanese Yen.

Table of international fund quotes including sections for E.C.U. and Japanese Yen.

Advertisements for Tokyo Pacific Holdings N.V., Xerox Corporation (CDR), and Deutsche Marks.

Advertisement for International Funds (Quotations Supplied by Funds Listed) dated Oct 19, 1988.

EBC AMRO TRADED CURRENCY FUND LIMITED advertisement with details on income shares and depositary receipt form.

Advertisement for International Funds (Quotations Supplied by Funds Listed) dated Oct 19, 1988.

HACHETTE advertisement reporting first half results for 1988, including financial data and management commentary.

Robeco Geneva Account advertisement explaining investment benefits and providing contact information.

Main advertisement for Robeco Geneva Account featuring a large illustration of a man and a woman with money, and detailed text about investment performance.

Continuation of Robeco Geneva Account advertisement with contact details and a list of investment options.

Large table of international fund quotes and prices, organized by fund name and category.

Small advertisement for 'CARNAL IN WHICH' with a graphic illustration.

THE HOLDERS OF AMRO TRADED FUND LIMITED SHARES IN CONTINENTAL RECEIPT FORM

Wednesday's AMEX Closing. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Close, Chg. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Close, Chg. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Close, Chg. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Close, Chg. Lists various stocks and their performance.

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Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Close, Chg. Lists various stocks and their performance.

the above... ab September... 1988... Secretary... Oct 19, 1988

LOYALTY PAYS OFF. MUCH HAS BEEN DONE IN PARTNERSHIP WITH OUR SHAREHOLDERS. 26 new industrial partners have joined the Carnaud Group over the last two years. Sales increased to FF 11,000 million, compared with FF 6,000 million in 1986. MUCH REMAINS TO BE DONE TOGETHER. With 1992 in mind, Carnaud is seeking a 10% share of Europe's packaging market. Issue of FF 800 million bonds convertible into Carnaud shares.

CAMEL. Disc over the world's most satisfying cigarette. Image of a man in a hat and a pack of Camel cigarettes.

BUSINESS ROUNDUP

Chargeurs and Valeo Bid for Epéda

Joint Offer Is 3.7 Billion Francs for Bed, Car Seat Maker

PARIS — In an unusual joint takeover offer, the French transport and textile group Chargeurs Sa and the car components maker Valeo bid 3.7 billion francs (\$607 million) in cash on Wednesday for Epéda Bertrand Faure, a maker of beds, luggage and car seats.

Epéda's secretary-general, Christian Pralon, said the chairman, Pierre Richier, was "not opposed" to the joint bid but would have preferred a solution without Valeo.

Mr. Pralon said: "Our white knight told us this new solution was better than a confrontation, and you don't change white knights in midstream."

Penser's Nobel Bids for Asken And Carnegie

STOCKHOLM — Nobel Industries AB announced Wednesday that it was bidding for all shares outstanding of investment AB Asken and of D. Carnegie & Co. All three are controlled by the Swedish financier Erik Penser.

Shearson Profit Dived 85% in the 3d Quarter

NEW YORK — Shearson Lehman Hutton Inc., one of the biggest U.S. investment firms, reported an 85.2 percent drop in third-quarter earnings Wednesday, attributing the fall to investor apathy brought about by the market collapse a year ago, expenses from the purchase of E.F. Hutton Group Inc. and higher short-term interest rates.

Issuing its third-quarter stock on the anniversary of the rock market collapse a year ago, the company said it earned \$8 million, or 2 cents a share, in the third quarter, down from \$34 million, or 54 cents a share, a year earlier.

Company Results

Table with 4 columns: Company Name, 1988, 1987, 1988, 1987. Rows include various companies like Euronorm, Allied-Signal, American Brands, etc., with financial metrics like Revenue, Net Inc., and Per Share.

Dutch Government Will Boost its Stake in Fokker to 49%

By Ronald van de Krol

Special to the Herald Tribune
AMSTERDAM — The Dutch government said Wednesday it intends to increase its stake in the aircraft manufacturer, Fokker NV, to a maximum of up to 49 percent, as agreed under a financial injection plan last year.

The government will increase its stake from the current 16 percent partly by participating in a 3-for-2 rights issue of shares which Fokker announced Tuesday and partly by converting any remaining debt into Fokker shares.

There was no elaboration, but many Wall Street professionals have said privately that unless business improves in the next six months, they expect further layoffs.

U.K. Assails British Gas Over Pricing Bias

LONDON — The government's anti-monopoly panel has concluded that British Gas PLC has been practicing extensive discrimination in the pricing and supply of gas to contract customers, an official statement said Wednesday.

The trade secretary, Lord Young, said he welcomed the commission's report and would promote steps to accelerate competition in Britain's gas market.

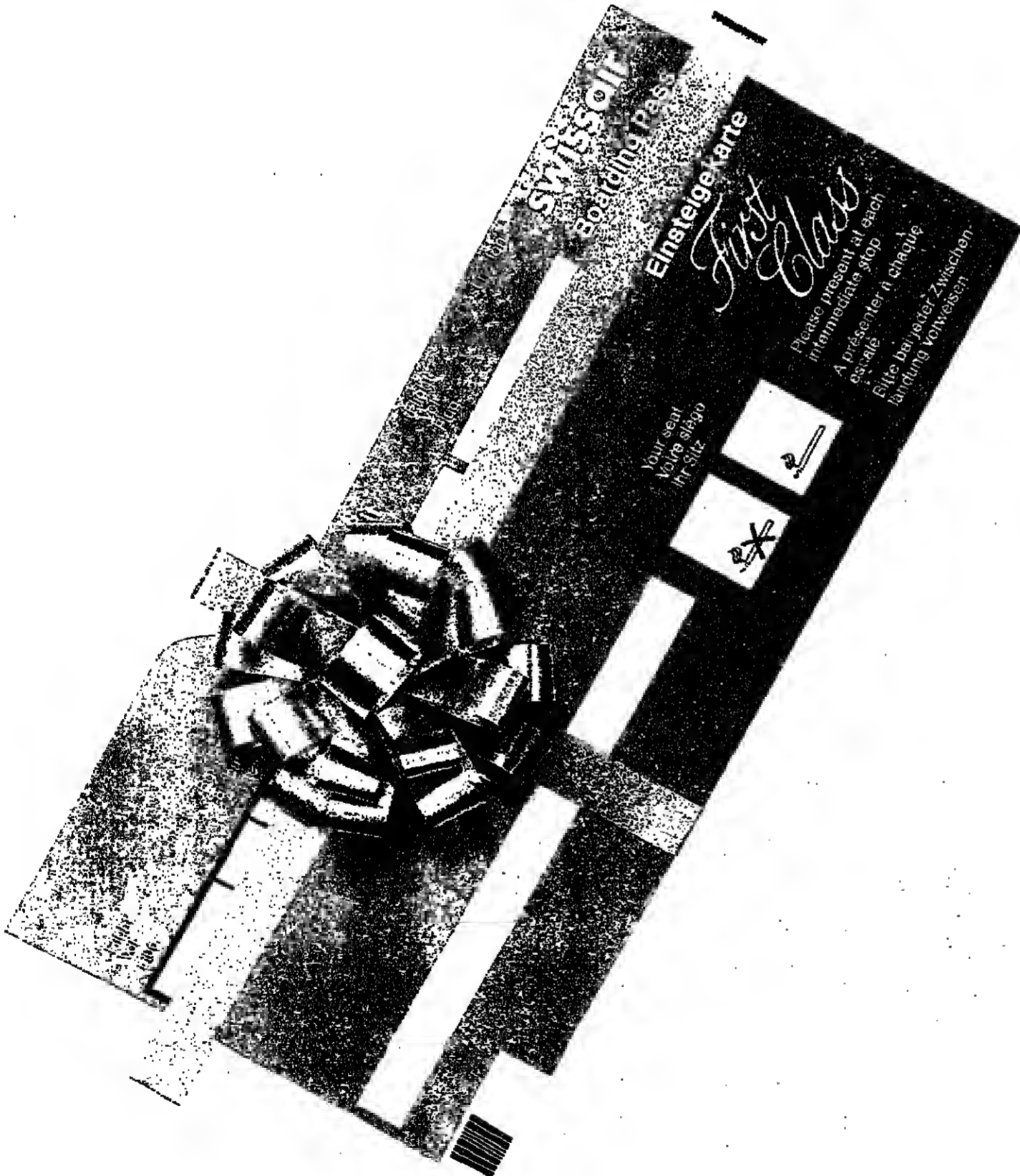
He said he had asked the director general of fair trading to carry out industry consultations with a view to proposing a plan by Jan. 31, 1989, that would make it easier for others to buy gas from the developers of U.K. gas fields.

Bond Corp. Plans \$1.6 Billion Asset Sales

PERTH, Australia — Bond Corp. Holdings plans more than 2 billion Australian dollars (\$1.62 billion) in asset disposals but does not believe its current debt level of more than 7 billion Australian dollars is excessive, the chairman, Alan Bond, told shareholders Wednesday.

"We think we will do 2 billion worth" of asset sales by June of next year, said Mr. Bond, adding that 1 billion worth of that would be by Christmas.

Mr. Bond reiterated that the company had deferred plans to merge with Bell Group through a reverse takeover of Bell by Bell, but declined to be drawn on the reasons for deferral of plans which would have included Bell Resources Ltd.



Red is the color for love.

It's also the color of Swissair's First Class boarding pass. Why not treat a deserving co-worker, a person of whom you're particularly fond - or, even yourself - to something extra special on the next trip? With a First Class ticket for an unforgettable experience, high above the clouds. Where, with our long experience in pampering our passengers, we'll make sure that your heavenly gift will be remembered long after touching down to earth.



DEBT: U.S. Loan a Prop for Mexico

(Continued from page 1)
ment made clear in a statement Monday, Washington believes "Mexico's strengthened economic policies merit support" and have "established the basic conditions for the renewal of sustained economic growth" without another wrenching readjustment.

Mr. Salinas won about 50.7 percent of the vote in the presidential election on July 6. In a country where that ruling party had never won less than 70 percent of the vote since coming to power in 1929, that result left Mr. Salinas with limited room to maneuver as he prepares for his inauguration on Dec. 1.

Tokyo Banker Warns of End To New Loans

TOKYO — Japanese banks will refuse to lend any more money to the debt-ridden Third World unless major nations act to make those loans more attractive, a top banker warned on Wednesday.

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CURRENCY MARKETS

Dollar Bears Permit Small Advance

NEW YORK — The dollar inched up Wednesday in dull trading, but dealers said that general sentiment toward the U.S. currency remained negative.

Jim Merrill, a senior foreign exchange economist for McCarthy, Crisanti & Maffei Inc., said the dollar's rise was "probably a little bit of a reaction to the recent downward trend, but I think the overall sentiment in the market remains bearish."

The Australian dollar made strong gains on positive trade figures and the Canadian dollar continued its upward trend, "but the rest of the market is pretty much a yawn," said Gopalan Nair, a vice president of foreign exchange trading at Drexel Burnham Lambert Inc.

The Canadian dollar rose to 83.39 U.S. cents from 83.33 on Tuesday, while the Australian dollar advanced to 81.75 cents from 80.90.

The U.S. dollar advanced to 1.8133 Deutsche marks at the close from 1.8108 DM on Tuesday, while it firmed to 127.425 yen from 127.150 and to 1.5325 Swiss francs from 1.5300. Against the French franc, the dollar advanced to 6.1920 from 6.1785.

However, the British pound resumed its recent upward trend against the dollar, finishing at \$1.7513 after Tuesday's 1.7475.

In London earlier, the dollar closed slightly higher, but dealers said that quiet European trading, with bearish undertones, failed to establish a fresh trend for the U.S. currency.

After the dollar's declines of the past two weeks, "dealers are bearish but are not particularly keen to sell because they are holding short positions abroad," said David Deakin, senior manager of foreign exchange for EBC Amro Bank.

The dollar closed in London at 1.8110 Deutsche marks, up from

London Dollar Rates

Table with columns: Currencies, Bid, Ask, and Source: Reuters

1.8050 at the Tuesday close, and it advanced to 127.32 yen from 126.65.

Against the Swiss franc, the dollar inched up to 1.5320 from 1.5235, while it rose to 6.1875 French francs from 6.1585 on Tuesday.

The British pound was barely changed against a rising dollar, closing at \$1.7510 after Tuesday's \$1.7512.

Although the dollar closed near

day's highs against the major currencies, dealers said the late firmness represented routine day trading rather than a conviction that the dollar should rise.

The markets expect that the dollar will drift still lower, after last week's monthly U.S. trade figures indicated the improvement in the trade deficit may have stalled, dealers said.

It is felt that the stronger dollar of recent months has slowed the U.S. trade adjustment process, and a weaker dollar is needed to stimulate American exports.

Sterling firmed in the afternoon to end at 76.6 on its trade-weighted index, compared with 76.4 at Tuesday's close. The pound benefited from the dull dollar trading as investors focused on a more active currency, dealers said.

BOJ Moves to Ease Rates

TOKYO — The Bank of Japan is expected to guide interest rates down further if the dollar falls decisively below 125 yen, according to yen bond managers here.

"They are using interest rates as the first line of defense against a rising yen," said Marshall Guttler, yen bond market analyst at UBS Phillips & Drew International Ltd.

On Wednesday, the bank bought 100 billion yen in three-month certificates of deposit in the primary market at 4.60 percent, compared with the market rate of 4.65 percent.

"The central bank could have bought CDs at lower than the 4.60 percent, but the bank seemed to have reserved some scope for further rate falls in case of more deterioration in the dollar," said a Fuji Bank trader.

The bellwether two-month CD rate dropped after the operation to a self quotation of 4.63 percent from 4.71 percent on Tuesday.

The Bank of Japan allowed the one- and three-month bill discount rate to decline by 1/16 of a point at the outset of trading Wednesday. The move took the one-month bill to 4.1875 percent and the three-month rate to 4.3125 percent.

The drop in the one and three month bill discount rates reflected the strong yen and cheaper oil prices, an official at the Bank of Japan said.

Lawson Expected to Bolster Bonds

But Speech Could Signal Partial Shift on Gilt Buy-Ins

LONDON — The chancellor of the Exchequer, Nigel Lawson, is expected on Thursday to renew his broad commitment to full use of the British budget surplus to pay down government debt, which would support bond prices.

In paying down debt, the government buys back its bonds, known as gilts, increasing their scarcity and boosting their price. The move, therefore, would lower long-term bond yields, which move inversely to prices.

Still, analysts do not rule out Mr. Lawson's using his Mansion House speech on Thursday to signal a modification of his stance on the Public Sector Debt Repayment.

Traditionally the chancellor explains aspects of funding policy in his Mansion House address, an annual dinner in the City of London.

The PSDR, the opposite of a deficit economy's Public Sector Borrowing Requirement, refers to the payment of debt made possible by a budget surplus.

Mr. Lawson could, the analysts say, signal acceptance of a slight overfunding of the budget surplus. This would mean not all the excess would be used to reduce the volume of gilts or other debt held by financial institutions other than banks.

Mr. Lawson has been seeking to slow British economic growth by pushing interest rates higher, a strategy designed to curb inflation by discouraging borrowing.

The purchase of bonds by the government would inject money into the British economy, however, putting downward pressure on short-term interest rates by increasing the amount of cash available.

A gilt rally of the last six weeks



Nigel Lawson

contrast, forecast the Bank of England would have to purchase an additional £3 billion, assuming gilt redemptions of £7 billion.

County NatWest's chief economist, Stephen Hannah, said any estimates for central bank purchases depended on a large number of volatile variables, including the strength of the pound.

Mr. Hannah said he expected Mr. Lawson to leave open the option of a small overfunding of the budget surplus. Such a drain on liquidity would provide an alternative tool in interest rates for controlling monetary growth, and therefore inflation.

Most analysts ruled out the possibility of a return to a policy of substantial overfunding of the budget surplus. This, they argued, would distort short-term interest rates by forcing the Bank of England to buy short-term commercial bills to reduce money market shortages and drive short rates artificially low.

The Bank of England's purchases have been concentrated at the long end of the market, exacerbating an already steeply inverse yield curve. In a normal yield curve, long-term rates are higher than short-term interest costs, reflecting the relatively greater risk of lending money for extended periods.

The benchmark Treasury 11 1/2 percent bond due 2003/07 now yields 9.42 percent, against an annual high of 10.03 percent in early September.

Many see the central bank's buying as a chance to restructure the national debt, buying long-term securities, consolidating the market in five to 10 large, widely traded issues, and thus enhancing market liquidity.

JAPANESE: Focus of Investors Turns to Southeast Asia Stock Markets

(Continued from first finance page) The index has slumped by about one-third.

In July, for instance, Japanese brokers placed \$16 million in the Hong Kong market and \$19.9 million in Singapore, according to the Japan Securities Dealers Association, a private industry group. That is about what they invested in those markets a year earlier and represents a sixfold increase in Hong Kong and sixteenfold growth in Singapore from last December.

While these figures clearly suggest a new attitude toward Southeast Asia among Japanese investors, they do not include stock positions taken through foreign securities houses and investments in mutual funds, local or foreign. And it is chiefly through funds that the Japanese have begun to test the waters in small Asian markets.

In recent months the four lead-

ing Tokyo brokerage houses have launched Southeast Asian funds, either on their own, in partnership with Western firms or with the aid of the International Finance Corp., a World Bank affiliate. Not surprisingly, all four also have added substantially to their Southeast Asian offices over the past year, chiefly in Hong Kong.

More striking has been the arrival of second-line Japanese brokers such as Towas Securities in recent months. By the end of October, seven smaller Japanese firms will have established Hong Kong offices this year, several claim to be expanding their international departments more quickly than the Big Four.

"For both individuals and institutions, the opportunities have simply not been realized yet," said Mr. Matsuoka, Towas's general manager. "Since funds are the obvious

first step, we would eventually like to open a number of our own."

One difficulty fund managers have faced is the insistence of market authorities in Southeast Asia that new funds be country-specific, instead of spread throughout the region. Executives here describe this as a misguided effort to build market stability by making sure investments remain dedicated to the stocks of specific countries.

Only Nomura Investment Management Co., the institutional affiliate of the No. 1 brokerage, has so far gone beyond this formula, with an emerging markets fund launched last year in association with International Finance Corp.

Last month, Nomura launched a \$155 million Thai Prime Fund. "It's a big misunderstanding," said Nobumitsu Kagami, Nomura Investment's managing director. "You're much more short-term ori-

ented with a closed-end, single-country fund, while a regional fund lets you spread risk, go beyond blue chips and take a long view."

More broadly, limited liquidity in Southeast Asian markets is the most serious block against a sudden surge of Japanese investment in regional stocks. For institutions, "it's like a bit of venture capital at this point," said Mr. Kagami, who added that he expected total Japanese equity investment in Asian markets to remain below \$1 billion for the next several years.

Nonetheless, the increasing "internationalization" of the Japanese economy, growing familiarity with the region because of direct investment and tourism and narrowing opportunities in the Tokyo market will continue pushing Japanese funds into emerging Asian markets, analysts throughout the region say.

Wednesday's OTC Prices. NASDAQ prices as of 4 p.m. New York time. This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Table with columns: 12 Month High, Low, Stock, Div. Yld, PE, 52 Wk High, Low, 4 P.M. Close, Net

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Table with columns: 12 Month High, Low, Stock, Div. Yld, PE, 52 Wk High, Low, 4 P.M. Close, Net

Wednesday's AMEX Closing. Tables include the following prices up to the closing on Wall Street and do not reflect late trades elsewhere.

BOOKS

CHEKHOV: A Spirit Set Free

By V.S. Pritchett. 235 pages. \$17.95. Random House, 201 East 50th Street, New York, N.Y. 10022.

Reviewed by John Gross

A BOOK on Chekhov, by somebody who doesn't know any Russian. Ordinarily this is something we might look at askance. An essay, perhaps — but a whole book? With V.S. Pritchett, however — Sir Victor, as he has been since 1975 — ordinary considerations don't apply. He has long been recognized as a critic of quite exceptional stature. The quality of his writing and the subtlety of his insight make him worth attending to on any subject that engages him, even on subjects where he can't claim scholarly expertise.

He has in fact already written an excellent book on another Russian master: "The Gentle Barbarian," his study of Turgenev. "Chekhov" is a somewhat slighter work, but equally notable for its keen judgments and imaginative grasp. For its freshness, too.

It is extraordinary to recall (since it is something one never thinks of while reading him) that Pritchett was born in 1900 — at a time when Chekhov had not yet written "The Three Sisters" and "The Cherry Orchard."

Pritchett's method is simple and straightforward. He sketches the main outlines of Chekhov's life, and, as he does, he also comments at much greater length on Chekhov's writing. His book is not so much the biography of a man as the biography of an imagination.

He also has the advantage of being able to quote from Chekhov's letters, which are delightful and forceful by turns. How clearly the writer's voice comes across in them! Reporting on his travels to the remote penal colony of Sakhalin, for instance, armed with a knife "useful for cutting sausages and killing tigers," or describing his stay in Nice: "Culture juts out of every shop window, every wicker basket, every dog smells of civilisation."

Sir Victor is particularly alert to the experiences that extended Chekhov's range and enlarged his powers. Not that he necessarily expects to find them directly reflected in Chekhov's writing, since it is one of his key convictions that "good stories do not come straight from real experience but evolve from contemplating an essence of it." Thus, Chekhov's first creative response to Sakhalin was "Gusev," an extraordinary fable about death at sea that ostensibly has nothing to do with the penal system.

Even in the longer run, as Pritchett says, the effect of his visit to the colony was indirect: Observing the con-

victs, so many of them peasants, left him with a more intimate sense of Russian peasant life in general.

And then at another level, in the celebrated story of doctors and mental patients, "Ward 6" (I have always found it more menacing than anything in Kafka), "Sakhalin becomes Russia itself."

Focusing on the most memorable of the stories, Sir Victor quotes generously from them and paraphrases at some length. His aim is to convey their distinctive qualities, to point out strengths and consider how Chekhov obtains his characteristic effects. It all seems rather effortless — until you try to do it yourself.

A master of the accurate phrase (rather than the ostentatious metaphor), Pritchett excels at hitting off a mood or a frame of mind. The opening sentence of "The Lady With the Little Dog" ("It was said that a new lady had appeared on the sea front: a lady with a little dog"), for example, "dryly establishes the inciting spell of holiday gossip." It is as a story writer, in Pritchett's view, that Chekhov stands supreme. He is unhappy to see the stories overshadowed by the plays, as they tend to be nowadays — they seem to him far richer in texture, and to a considerable extent his is an attempt to redress the balance. I happen to think he is right, but it also has to be said that he somewhat slightes the plays in the process.

His most interesting comments on them are prompted by "The Seagull." When he comes to the later masterpieces, he makes a few vivid points (the predatory sister-in-law in "The Three Sisters," crossing the room with a candle, is "Lady Macbeth reborn"), but in general his comments struck me as a bit perfunctory.

On the stories, however, he is unerring. If you want to sample his quality, try his account of "The Bishop" (one of Chekhov's finest achievements — it reads, he observes, "like a sustained anthem" to the writer's own death). But then the whole book is an admirable essay in appreciation, calculated to make anyone who reads it impatient to move on — or get back — to the stories themselves.

It also contains some reminders of Chekhov's own powers as a critic. There is his advice to a sentimental novelist who had sent him a sample of her writing ("When you want to touch the reader's heart, try to be colder." It gives the characters' grief "as it were, a background, against which it stands out in greater relief"), and his insistence, to another correspondent, that an artist isn't obliged to solve problems, only to state them correctly. These were the kinds of lessons that he could teach so clearly, because he had taken them to heart so deeply in his own work.

John Gross is on the staff of The New York Times.

BRIDGE

By Alan Truscott

MANY American tournaments now prohibit smoking. But at some tournaments in Europe, it is compulsory — in the evenings. This is a traditional demand for the use of the "smoking" — the dinner jacket, and the call for decorum was heard at the Staten Bank Pairs Tournament, an all-expert event, played in the Hague in late January.

The tuxedos were slightly stretched by a well-received dinner when the diagrammed deal came along. At nearly all tables, South played three no-trump after hiding clubs. The bidding shown is a likely natural sequence.

This was no time for a fourth-best lead, and the diamond king was the

normal choice. South won with the ace, and sneaked led the spade four. Only one declarer was defeated: Against him, Irving Rose, the British star, put up the ace and cashed the diamond queen. It was then easy to take two more diamond tricks and the heart ace for down one.

There were several clues to the winning defense. East had encouraged in diamonds, with a modern duce rather than a traditional ten. South would probably have held up his ace if he had begun with ace-jack-small. And since East was marked by the bidding with virtually no high-card strength, running diamonds quickly was the only real hope for the defense.

Discs the experts who sleepily played a low spade at the second

BRIDGE hand diagram showing cards in North, South, West, and East hands. Includes a bidding sequence and a note about the trick.

World Stock Markets

Via Agence France Presse Closing prices in local currencies, Oct. 19

Table of stock market data for Amsterdam, including ABN Bank, Aegon, and other financial institutions.

Table of stock market data for Helsinki, including Amer A, Finnair, and other companies.

Table of stock market data for Johannesburg, including Anglo American, Anglo Platinum, and other mining companies.

Table of stock market data for London, including Anglo Siam, Anglo Siam, and other international companies.

Table of stock market data for Frankfurt, including Allianz, Allianz, and other insurance companies.

Table of stock market data for Paris, including Air France, Air France, and other transportation companies.

Table of stock market data for Tokyo, including Asahi Chemical, Asahi Chemical, and other chemical companies.

Table of stock market data for Sao Paulo, including Banco de Brasil, Banco de Brasil, and other financial institutions.

Table of stock market data for Singapore, including Chartered Bank, Chartered Bank, and other financial institutions.

Table of stock market data for Stockholm, including ASEA, ASEA, and other industrial companies.

Table of stock market data for Sydney, including Anglo Pacific, Anglo Pacific, and other financial institutions.

Table of stock market data for Zurich, including Anglo Swiss, Anglo Swiss, and other financial institutions.

Table of stock market data for Toronto, including various Canadian companies and indices.

Table of stock market data for Montreal, including various Canadian companies and indices.

Table of stock market data for various international markets, including indices and company prices.

Table of stock market data for various international markets, including indices and company prices.

Table of stock market data for various international markets, including indices and company prices.

Table of stock market data for various international markets, including indices and company prices.

Table of stock market data for various international markets, including indices and company prices.

Crossword puzzle grid with clues for Across and Down words.

WEATHER forecast for Europe, Asia, North America, Africa, Latin America, and Oceania.

Market Closed notice for the stock market in Hong Kong, Wednesday for a holiday.

Market Closed notice for the stock market in Hong Kong, Wednesday for a holiday.

Market Closed notice for the stock market in Hong Kong, Wednesday for a holiday.

PEANUTS comic strip panel showing characters talking about a guest.

PEANUTS comic strip panel showing characters talking about a guest.

PEANUTS comic strip panel showing characters talking about a guest.

PEANUTS comic strip panel showing characters talking about a guest.

WIZARD of ID comic strip panel showing a character applying for a job.

WIZARD of ID comic strip panel showing a character applying for a job.

WIZARD of ID comic strip panel showing a character applying for a job.

BEETLE BAILEY comic strip panel showing characters talking about a cookie.

BEETLE BAILEY comic strip panel showing characters talking about a cookie.

BEETLE BAILEY comic strip panel showing characters talking about a cookie.

BEETLE BAILEY comic strip panel showing characters talking about a cookie.

DOONESBURY comic strip panel showing characters talking about a sardine.

DOONESBURY comic strip panel showing characters talking about a sardine.

DOONESBURY comic strip panel showing characters talking about a sardine.

SPAT AHEAD LIMA crossword puzzle solution grid.

ART BUCHWALD

More Debate Questions

WASHINGTON — I am sad that there will be no more presidential debates...



Buchwald

"If you were a Scotch-tape dispenser, what kind of Scotch-tape dispenser would you be?"

"Would you advocate the death penalty for any pregnant woman who does not believe in the right-to-life movement?"

"Governor, when you play baseball with a kid for the TV cameras, do you ever put pine tar on your glove?"

"Mr. Vice President, do you think Mike Tyson and Robin Givens represent the family values that you hold so dear?"

"Senator Bentsen, if Dan Quayle is no Jack Kennedy, does that make Mrs. Quayle no Jackie Onassis?"

"Senator Quayle, if we refuse to embargo American wheat and sell it to the Russians, won't they become healthy and want to kill us?"

"Governor, the polls indicate that the only way you can win the election now is to tell us how you made Massachusetts one of the great states in the Union. Are you prepared to break your vow of secrecy and tell us how you did it?"

"Senator Quayle, would you agree to enroll in the Electoral College if your father made a large donation to the school?"

"Please tell us the names of all your heroes, and whether any of them has done TV commercials for Wheaties?"

"Do you think a gun is the best answer to poor grades in school?"

"If you were president of the United States, and someone asked you to recite the Pledge of Allegiance to the flag, knowing what you know now, would you do it?"

"If you were a Manhattan telephone directory, what kind of telephone directory would you be?"

"If you were vice president of the United States, and the president just had a meal on Northwest Airlines, what is the first thing you would do to restore confidence in the country?"



Clockwise from left: Bernadette Chirac, Baron Allard and Miranda Belloil, Princess Gloria von Thurn und Taxis, Françoise and Christian Lacroix and Marie Senez.

Paris Fashion Week Opens on Its Toes

PARIS — The curtain went up on the French collections with a spectacular success for Christian Lacroix...

A society figure needing space to spread was Princess Gloria von Thurn und Taxis, in a pink loquax pouffe, with a new short red hairdo and outside rubies...

hose in sugared almond green, fondant pink and blue. The cancan dancers — at the musical heart of this effervescent ballet — were as fuzzy as champagne when their skirts opened up in a fan of ruffles over striped stockings...

Lacroix had whipped up a crême chausserie of ruffles under the black velvet dresses of the adorable French face models, Givens and perky bunnets came in colors of Neapolitan ice cream: bows and roses nested in meringue pulls of skirt; and under it all went...

SUZU MENKES

Orient Express in Japan After Record Rail Trip

TOKYO — The Orient Express made its debut in Tokyo Wednesday after setting a Guinness world record for the longest railway journey from Paris's Gare de Lyon to Tokyo's Central Station...

CONGRATULATIONS TO MR. & MRS. MARTIN FUHR

on the birth of their baby boy, ALEC, born on Friday, 14th October, 1988.

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International Business Message Center

Grid of classified advertisements including 'ATTENTION EXECUTIVES', 'BUSINESS OPPORTUNITIES', 'GENEVA', 'A SWISS OPPORTUNITY', 'SCHOOL HEAD', and 'DIAMONDS'.

PEOPLE

Beethoven's 10th Gets Mixed Views in London. A 15-minute piece of music that the arranger said was reconstructed from Beethoven's last work was warmly applauded at its premiere...

Jack Kent Cooke, the 75-year-old billionaire owner of the Washington Redskins football team, has been granted a divorce from his 32-year-old wife. According to court documents in Warrenton, Virginia...

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